

Special Joint Meeting
Monday March 23, 2009
3:00 pm
Chowan County 1767 Courthouse
East King Street

MINUTES

The Chowan County Board of Commissioners held a joint meeting with the Chowan County Board of Social Services on Monday, March 23, 2009. Commissioners present were Vice Chairman Emmett Winborne, Commissioners Ralph Cole, Kenny Goodwin, Louis Belfield and Keith Nixon. Staff present was County Manager, Peter Rascoe and Clerk to the Board, Susanne Stallings.

Department of Social Services (DSS) Representatives present were Director Ben Rose, Admin Officer Kim Goodwin and DSS supervisors. DSS Board members present were Dalton Furlough, Vice-Chairwoman Darlene Carter and Chairwoman Mary Rhea Jones.

Vice Chairman Emmett Winborne called the meeting to order and opened the floor to the DSS Chairwoman Mary R. Jones.

Ms. Jones opened with a written statement stating that she and the DSS Board members appreciate the task that is before the Board of Commissioners. She said that the goal of DSS is to provide high quality services. She said that the DSS department is unique because all programs provided by DSS are mandated by the State of North Carolina and the Federal Government. She said that because of the mandate to provide these Human Services, there is no option to cut back the service, but continue with the remaining staff. She noted that trainings for staff have been cut to a minimum and projections show that only 2% of the 2009-10 budget will be funded by County dollars. She noted that DSS implemented a voluntary reduction in force (RIF) recently to assist with the County's revenue shortage. She said that the 2009-10 budget will need to reinstate one vacant position that is critical. She noted the County will need to front the foster care monies which will be a change. The monies will be reimbursed later. Ms. Jones said that there has been an increase of 10% in food stamp cases. She again thanked the Board and DSS staff for all of the hard work that they have done and for the work that will have to be done in planning the 2009-10 budget.

DSS Director, Ben Rose then gave a PowerPoint to the Board entitled "Emerging issues in DSS". A copy of the PowerPoint presentation will be in the file labeled March 23, 2009 Joint Meeting with DSS Board. He also provided the Board with a handout entitled "Critical Emerging Issues for DSS". A copy of the handout will be kept in the meeting file labeled March 23, 2009 Joint Meeting with DSS Board. Mr. Rose showed the size of one unit's regulations file and said that each unit comes under State and Federal requirements that are audited annually. He said that each unit is responsible for adhering to the regulations of their unit's services.

After the presentation he then opened the floor to questions from the Board of Commissioners. Vice Chairman Winborne asked for an average number of foster care cases.

Mr. Rose said that he budgets for an average of 10-15 cases but with the current economy, foster care cases can rise drastically.

Commissioner Cole said that he serves as the Board of Commissioner's liaison to the DSS Board. He said that he will support and advocate for the services and the level of quality provided by the Chowan County DSS staff.

Mr. Rascoe asked about any changes made to the current organizational chart.

Mr. Rose said that the two RIF positions can be absorbed; however the Work First position is vital in meeting the MOE mandate. He added that the vacant position in Medicaid is also critical with the high case loads.

Commissioner Nixon thanked Mr. Rose for his willingness to assist with the RIF's. He asked if any of the government stimulus monies would be used to retain or recruit for the vacant positions. He asked for clarification that there are only mandated programs in the Chowan DSS department and none that are volunteer programs.

Mr. Rose said that only new positions can be funded with the stimulus monies. He said that all programs that Chowan DSS provides are mandated.

Commissioner Nixon asked for clarification on reimbursement from the State on monies for office space.

Mr. Rose said that DSS can draw down on allocated monies for reimbursement and 50% is an average for reimbursement.

Commissioner Nixon asked about oversight on frauded applications and/or benefits by applicants.

Mr. Rose said that there are different levels of investigations for fraud. He said that there is intentional and unintentional fraud.

Angela Harris said that referrals come from the outside as well as within. She said that there are administrative hearings and sometimes prove to be client errors and when they are found the money can be intercepted to pay back through social security benefits or income tax refunds.

Commissioner Belfield asked for clarification the qualification of individual benefits.

Mr. Rose explained that the benefits are determined through a formula that is typically based on income and the number of dependants in the household.

Vice Chairman Winborne asked if spot checking is performed for fraud.

Ms. Harris said that investigations are typically done when there is a complaint from someone outside or if a staff person has a question after seeing someone working locally etc.

Commissioner Cole noted that manpower can be a challenge in investigating for fraud.

Mr. Rascoe noted that in previous conversations with Mr. Rose DSS would need approximately 38 offices, a conference room, storage, file room and a work room.

Mr. Rose noted that the State has begun performing physical audits on DSS facilities as there are regulations for space etc.

Vice Chairman Winborne asked how migrant workers qualify for benefits.

Mr. Rose said that the workers must be a qualified alien to receive benefits.

Vice Chairman Winborne asked that with the state budgetary cuts, did Mr. Rose anticipate more cuts in the reimbursement for Chowan DSS.

Mr. Rose said that he is following it closely, adding that he is a little concerned about the state monies for DSS.

Vice Chairman Winborne asked if any of the public present had any questions or comments, there were none.

Being no further business before the Board, the Board of Commissioners adjourned the joint meeting with DSS and the Board and moved to the Public Safety center for the Finance Committee meeting of the full Board.

Special Meeting
Finance Committee
Monday March 23, 2009
4:00 pm
Chowan County Public Safety Center
West Freemason Street

MINUTES

The Chowan County Board of Commissioners held a special meeting of the Finance Committee on Monday, March 23, 2009. Commissioners present were Vice Chairman Emmett Winborne, Commissioners Ralph Cole, Kenny Goodwin, Louis Belfield, Jimmy Alligood and Keith Nixon. Staff present was County Manager Peter Rascoe, Finance Officer Lisa Jones, Human Resources Officer Carrie Byrum and Clerk to the Board, Susanne Stallings.

Vice Chairman Winborne called the Special meeting to order and noted an amendment to the agenda.

Bid Offer on Community Building

Commissioner Alligood moved that the Board amend the agenda to include presentation of a bid for the property sale of the Chowan Community Building located at 2862 Virginia Road, Tyner NC.

Mr. Rascoe stated that a bid in the amount of \$51,000 was received to purchase the property. He said that after the 10 day upset bid period, no additional offers were received. Commissioner Alligood moved that the Board accept the offer. Being no further Comment, Vice Chairman Winborne asked for all in favor, the motion carried unanimously (6-0).

Appointment of Tax Collector

Mr. Rascoe noted that after the retirement of the Tax Collector, Lynda Hendricks there currently is no collector in place. He recommended to the Board that he be sworn Tax Collector pursuant to NCGS §105-349 to serve until a successor has been appointed. He added that he has been in discussions with the Department of Revenue and he will ask the Board to allow him to advertise the position in the FY 2009-10 budget.

Commissioner Nixon moved that the Board appoint the County Manager as Tax Collector until the position is filled.

Being no further discussion, Vice Chairman Winborne asked for all in favor, the motion carried unanimously (6-0).

County Clerk, Susanne Stallings administered the following oath to Mr. Rascoe:

“I, Peter Rascoe, do solemnly swear that I will support and maintain the Constitution and laws of the United States, and the Constitution and laws of North Carolina not inconsistent therewith, and that I will faithfully discharge the duties of my office as the Tax Collector of Chowan County, North Carolina, and that I will not allow my actions as Tax Collector to be influenced by personal or political friendships or obligations, so help me God.”

Water Department

Mr. Rascoe requested that the Board lift the current hiring freeze for the exclusive purpose of allowing the County Manager to hire a Water Technician/Equipment Operator in the Water Department to allow for cross training prior to the retirement of the current employee. He noted that the expense of this position is within the Water Enterprise Fund.

Vice Chairman Winborne asked that Mr. Rascoe provide additional information to the pending retirement of the department head also.

Mr. Rascoe said that the Department Head and the Water Technician/Equipment Operator are both scheduled to retire effective July 2009. He said this will allow him to have two technicians and one plant operator. By allowing him to hire someone to cross-train the position would have to get a CDL, back hoe training and training for certifications. He said the person would train with the Director as well as the Technician.

Commissioner Alligood asked if the other two persons in the department were interested in the position.

Mr. Rascoe said that one employee is 18 months from retirement and the other is already classified in this position.

Commissioner Alligood moved that the Board lift the hiring freeze for the sole purpose of filling this one position in the Water Department.

Vice Chairman Winborne asked for all in favor, the motion carried unanimously (6-0).

2009-10 Budget Planning

Vice Chairman Winborne noted that the County Manager (Budget Officer) and the Finance Officer will moderate a discussion of the cost of current County services and projected revenues for FY 2009-10 for the purpose of budget planning.

Mr. Rascoe first presented the Board with the following projections:

08-09 Adjusted General Fund Revenues = \$16.3 mil

08-09 Adjusted General Fund Expenses = \$16.3 mil

[Rate = .62 / .01 = \$138,000]

09-10 Projected General Fund Revenues = \$15.1 mil

09-10 Projected General Fund Expenses = _____

(same ad valorem, same land transfers, revenues as amended same sales tax revenues as amended in the 2008-09 budget)

Mr. Rascoe noted the full Board will have a budget planning retreat on April 21st to begin actual budget planning, but the purpose of this discussion was to receive direction from the Board to assist him in presenting a budget for FY 2009-10.

Mr. Rascoe then shared a list of services provided by Chowan County:

Elections, Inspections, Tax Assessment/Collection, Emergency Medical Services, Rural/Forestry Fire Protection, School District, Sheriff's Office/9-1-1/Jail, Register of Deeds, Courts/Probation, Social Services, Public Health, Mental Health, Medical Examiner, Facilities/Maintenance, Library, ABC, Economic Development, Planning, Information Technology, Land Records, Veterans Affairs, Administration/Finance, Recreation, Senior Citizens, Community College, Drinking Water, Public Safety (Emerg. Mgt. /Fire Marshall), Soil and Water Conservation, Agricultural Extension, Solid Waste Collection/Disposal, Animal Control.

Commissioner Alligood asked if contracting facilities maintenance would result in savings.

Mr. Rascoe said the County has checked into that, but could not beat the cost.

Commissioner Alligood asked if Animal Control could look at a per-animal pick up fee, and noted the Town of Edenton is not contributing to the costs of Animal Control.

Mr. Rascoe said there is a formula used.

Commissioner Nixon stated that his notes indicate that the Town also does not contribute to Recreation or the Senior Center budgets.

Commissioner Alligood added that Town residents pay County taxes.

Commissioner Nixon stated that the Recreation Department is involved in Destination Downtown events and the Town used to contribute to the Recreation budget.

Peter stated that Solid Waste is a line that he will be looking closely at. He said currently every house pays a fee but that program is not paying for itself.

Commissioner Belfield asked by the Boys and Girls Club as well as the Arts Council were not included on the list of services provided.

Mr. Rascoe explained that they are non profits that received annual appropriations from the County.

Vice Chairman Winborne asked the Commissioners to look at their list of questions for Board philosophy for FY 09/10 that were submitted by the County Manager. He said he would receive the responses from the Board.

“What does the Board sees as priority for the year?”

Commissioner Alligood said he hates to see employees lose their jobs. He said the decision will need to be made on what to cut or what to provide. He said he feels the Board should look at a tax increase.

Commissioner Belfield said a balanced budget is a priority. He said that keeping spending under control, keeping employees working and doing so without a tax increase.

Commissioner Goodwin said that comparing expenses for each department from 2003 to current the budgets are much higher. He said he feels it is a priority to look at why it has doubled. He said that a tax increase should not be an option.

Commissioner Cole said that after meeting with Representative Bill Owens, the news from the State is not good and the message to counties is that the worst has not yet been seen. He said he feels the Board may have to look at taxes again.

Commissioner Nixon said that building the general fund balance, consolidating office space to reduce expenses, fees for some services, pay off debt and rebuild trust with the community are his priorities. He noted that Chowan County is listed as having a high tax burden. He said that County is behind in sanitation and user fees need to be looked at. He said that he suggests small increases in tax over the years but this year was not the time for a tax increase. He said he agreed with the revenue predictions because they were conservative. He stated that he felt there may be additional properties added to the tax base for FY 2009-10.

Vice Chairman Winborne said he did not want to see any more jobs lost but, he did not want to increase taxes. He said the only way he would agree to a tax increase is if the money is put into a reserve.

Vice Chairman Winborne read the next question “What does the Board consider to be vital services and what services does the Board wish to preserve?”

Commissioner Belfield stated Education including the Community College as a priority to him.

Commissioner Goodwin said that there is no program that he wants to cut. He said that user fees will make a difference.

Commissioner Nixon said EMS, Sheriff, Jail, Courts, Public Health are essential services. He stated that he would like to keep services but look at user fees for some departments.

Vice Chairman Winborne said that Fire and EMS are vital. He said that Recreation is important to the area, and he wanted to preserve these services if possible. He spoke about churches and other community organizations taking an active role in operating recreational programs.

Vice Chairman read the next question, “How does the Board wish for the School District budget to be addressed?”

Mr. Rascoe noted that previously the school develops a budget and presents it to the Finance Officer. He said that each budget of the schools was expanded each year. He added that normally the budget is not presented until late April or May.

Vice Chairman Winborne said he wanted detail in the school budget. He said he wanted to know where the money is spent. He asked if school budgets took a cut like the County budgets. He said the Public wants to know what school employees make.

Commissioner Cole noted the lowest paid are from local funds and the highest are from state funds.

Commissioner Nixon added the issuance of ADM monies is unknown.

Commissioner Alligood said the Board needs to know what kind of reserves the school has. He said he questions how much the County contributes if the school has a reserve.

Commissioner Nixon said he feels it is important for the school to work with the County when planning their 2009/10 budget.

Vice Chairman Winborne asked the last question “How does the Board wish to address the Fire District budgets?”

Mr. Rascoe noted that he is looking at a system of setting up the budget to have user fees included. He said that the Center Hill Crossroads Fire Department Budget is expense based. He said the expense for the Belvidere Chapel Hill Fire Department was to pay for the crash truck which the county is paying. He said the town develops a budget for the Town Fire Department for the rural coverage area. He said that he will propose the budget be based on actual expense only.

Finance Officer Lisa Jones noted that the Town budgets \$250,000 annually for Town Fire service in rural areas.

Mr. Rascoe said the expense may be more or less, he is not sure but he recommends that the system for setting up the budget be revised.

Commissioner Goodwin questioned why the County does not operate the Town Fire Department.

Vice Chairman Winborne stated that the County owns a fire truck for the department.

Commissioner Alligood said that the Town Manager, County Manager, Mayor and Chairman get together and discuss what services can be consolidated between the Town and County.

Vice Chairman Winborne then opened the floor to public comment.

Betty Cornelius said she didn't want to see taxes go up, but she was concerned about the future of the recreation department more so than the Senior programs.

Commissioner Goodwin asked if the user fee was increased would that help adding that Chowan charges \$10 user fees and other neighboring counties charge \$35-\$40.

Ms. Cornelius said the Senior's could afford user fees more than the children.

John Sams said that he felt the Board was not giving Mr. Rascoe the guidance that he needs to prepare the budget.

Mr. Rascoe said that the next meeting he will provide the Board with figures; this discussion was based on philosophy so that he can begin planning the budget.

John Sams said that Board should look at other counties with lower tax rates and see what services that they do/do not provide.

Marge Soper said she enjoys the Senior Center but understands that police, fire and EMS come first. She asked if Mr. Rascoe was going to receive a raise with his appointment as Tax Collector.

Mr. Rascoe said no, he will not be compensated for the appointment.

Bill Robbins stated he hopes to see the next budget include reduced expenses. He added that he supports the schools and the money currently put into the schools has not been spent well.

Steve Lane said he felt the Board should give Mr. Rascoe more specific direction.

Paula Monck asked what the County does to market its facilities.

Commissioner Alligood noted the TDA does that job and that he was a member of that Board.

Jack Onufrak said he felt more informed after attending the meeting. He said he felt the Board should provide the County manager with more direction, adding he wanted the County Manager to be successful with the 09-10 budget planning.

Hope Corneilus said she hoped the Board would have a vision of hope that if the economy turns around, the persons that lost jobs or the programs cut could be restored.

David Barrett discussed clarification on the figures proposed.

Mr. Rascoe clarified the numbers in the presentation.

Bill Robbins asked if the Board had a long range plan.

Vice Chairman Winborne said that since being elected with all the crises the Board has not had time to develop a plan.

John Mitchener stated that he felt the Board should consider the children and not penalize them. He said the School budget should be a number one priority. He suggested a presentation showing the programs that could be saved with a 5 cent to no tax increase that will show the impact.

John Sams said he felt that type of information proposed by Mr. Mitchener would be beneficial.

Vice Chairman Winborne asked Mr. Rascoe if he felt that he has been given enough direction.

Mr. Rascoe stated that he understands the Board wishes to keep the tax rate low, save services. He said that he plans to price out a frugal budget while taking public safety into account. He stated that he will show impact in his presentation in April and will tell the Board the brutal truth.

Commissioner Nixon urged the public to contact their commissioners to tell them what services they feel are vital. He added that he has children in the school system and he also feels the school

is important. He added the schools did not take a cut back in August, and with all other departments taking a 10% cut, everyone should remember that all are in this together.

Commissioner Alligood said he felt that showing increases in 1-5 cent increments will be beneficial.

Being no further business, the meeting was adjourned.

Emmett Winborne

Vice Chairman

L. Susanne Stallings

Clerk to the Board

(SEAL)